



Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, APRIL 23, 2008
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AT
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TDD (202) 514-1888

FORMER BRISTOL-MYERS SQUIBB SENIOR VICE PRESIDENT INDICTED FOR LYING TO THE FEDERAL GOVERNMENT ABOUT POPULAR BLOOD-THINNING DRUG

WASHINGTON – The Department of Justice announced today that the former senior vice president of Bristol-Myers Squibb Company (BMS), Andrew Bodnar, was indicted for his role in lying to the federal government about a patent deal involving the popular blood-thinning drug, Plavix, used by heart attack, stroke and other patients. The Department said that the alleged illegal actions of Bodnar related to the possible introduction of a generic drug that would compete with Plavix.

On June 11, 2007, BMS agreed to plead guilty and pay a \$1 million criminal fine for misleading the government about the Plavix patent deal. BMS paid the maximum fine permitted by statute for committing two violations under the federal False Statements Act.

According to the one-count indictment filed today in the U.S. District Court in Washington, D.C., in 2006, BMS and another company, Apotex Inc., were engaged in litigation over the validity of the patent for Plavix and were negotiating a settlement of that litigation. At the time, BMS was subject to a separate consent decree, for unrelated conduct, with the Federal Trade Commission (FTC) that required BMS to submit any proposed patent settlements for review and advisory approval by the FTC. The FTC warned BMS that if BMS agreed with Apotex not to launch BMS's own generic version of Plavix—meaning that BMS would not compete against Apotex for generic sales—then the FTC would not approve a settlement of the Plavix litigation.

In the indictment, the Department alleges that, at a meeting in 2006, Bodnar, on behalf of BMS, made representations to Apotex to reassure it that BMS would not launch a generic version of Plavix if Apotex agreed to a settlement which would prevent Apotex from launching its Plavix generic until 2011. The Department charges that Bodnar knowingly and willfully made a false statement to the FTC about the existence of his representations to Apotex.

“Lying to the federal government is a serious felony that obstructs the law enforcement process,” said Thomas O. Barnett, Assistant Attorney General in charge of the Department's Antitrust Division. “The Department of Justice will vigorously prosecute such illegal activity.”

Plavix, a patented pharmaceutical, is the most widely prescribed blood-thinning drug in the world. Approximately 48 million Americans take Plavix daily to prevent potentially fatal blood clots. The drug was approved for sale in the U.S. in November 1997.

BMS, an international pharmaceutical company headquartered in New York, N.Y, participates in the sale and marketing of Plavix in the U.S. through the Bristol-Myers Squibb Sanofi Pharmaceuticals Holding Partnership, which sold more than \$3.5 billion of Plavix in the U.S. in 2005.

Bodnar is charged with a violation of the Federal False Statements Act, which carries a maximum sentence of five years of imprisonment and a fine of \$250,000. The fine may be increased to twice the gain from the offense or twice the loss incurred by the victims of the crime.

This case is part of an ongoing investigation being conducted by the Antitrust Division's National Criminal Enforcement Section and the New York Field Office of the Federal Bureau of Investigation. Anyone with information about this matter should contact the Antitrust Division's National Criminal Enforcement Section at 202-307-6694.

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